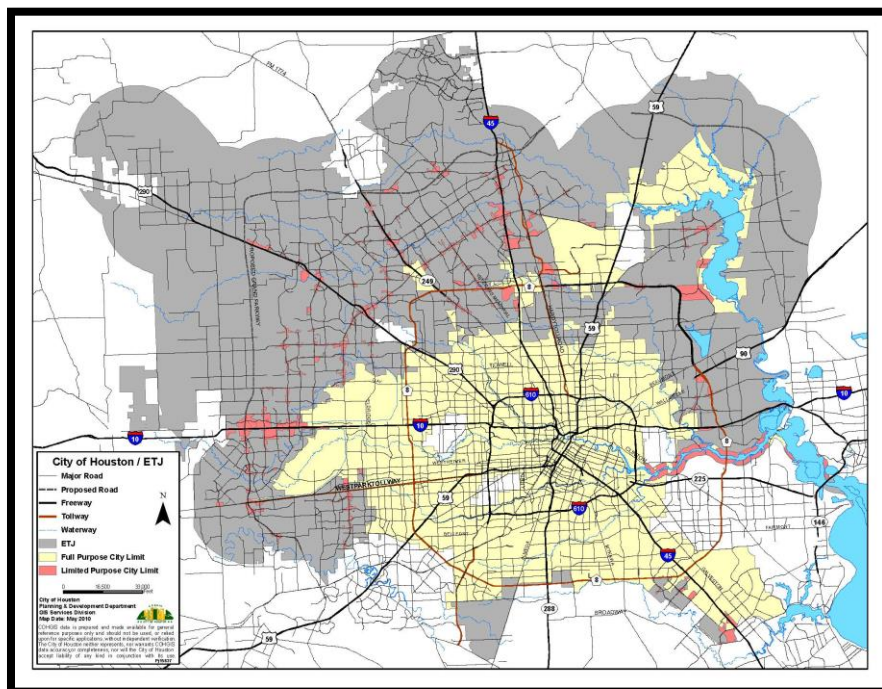


FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION**BEFORE THE ACQUISITION**

PROPERTY HISTORY: The subject properties are owned by *Westside Ventures, Ltd.*¹¹ We are unaware of any arm's-length transactions of the subject properties within the three years prior to the date of value. As of the date of this report the properties are listed for lease at an undisclosed price.

REGIONAL ANALYSIS: The properties are located in the City of Houston's extraterritorial jurisdiction (ETJ)¹² and is part of the Houston Primary Metropolitan Statistical Areas (PMSA). At approximately 6,000 square miles, the Houston PMSA is the largest in Texas and includes Chambers, Fort Bend, Harris, Liberty, Montgomery and Waller counties.



Map of the City of Houston ETJ, dated May 2010

As of 2017, with an estimated population of over 6.89 million, the PMSA is the 5th largest in the nation and ranks 2nd in overall population growth among all PMSAs in the country.¹³ Houston is the most populous city in the state and fourth in the nation. The Houston PMSA is part of a large 10 county Metropolitan Statistical Area (MSA) that also includes Austin, Brazoria, Galveston and Washington counties. Among the 12 largest metropolitan areas in the country as of 2018, Houston ranked first in jobs added over the year and in the annual rate of job growth,¹⁴ due to the diverse economy which serves as a financial, trade, healthcare, manufacturing, and petrochemical center.

¹¹ Harris County Clerk Record No. R655277

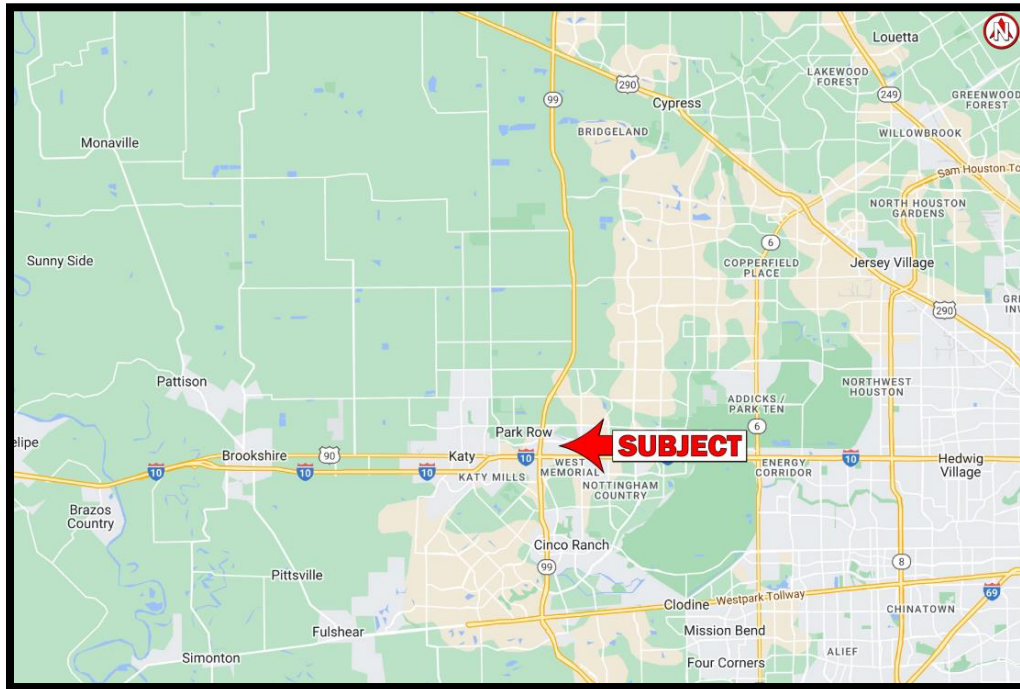
¹² The ETJ is a boundary up to 5 miles past a city's limits. <http://www.houstontx.gov/ETJ>

¹³ United States Census Bureau, Metropolitan and Micropolitan Statistical Areas Population Totals: 2010-2017

¹⁴ United States Department of Labor Bureau of Labor Statistics

FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

MARKET AREA ANALYSIS: The subject is approximately 25 miles west of the Houston Central Business District, at the intersections of the Grand Parkway and Katy Freeway (IH-10), within the market area locally known as Greater Katy. The Greater Katy Area is located at the tri-point of Fort Bend, Harris and Waller counties, encompassing the City of Katy and surrounding area served by Katy Independent School District (Katy ISD). The market area is generally bound by US 290 on the north and the Westpark Tollway (FM 1093) to the south, and extends east and west along the Katy Freeway, from Houston's Energy Corridor to a few miles west of the City of Katy.



As previously stated, the Greater Katy Area is served by Katy ISD, which is the top-ranked school district in the Houston area and is one of the fastest growing public-school districts in Texas.¹⁵ The highly acclaimed Katy ISD school system has been the catalyst of growth and expansion of the Katy community, which now extends well beyond the Katy city limits. Additionally, several highly rated master-planned communities are located in Greater Katy area. Three of Katy's newest developments were ranked as top-selling master-planned communities in Houston, being: Sunterra (1st), Tamarron (4th) and Elyson (6th).¹⁶

¹⁵ <https://www.katymagazineonline.com/post/8-10-2019katy-isd-ranked-top-houston-area-school-district>

¹⁶ <https://communityimpact.com/houston/cy-fair/housing-real-estate/2022/07/21/these-houston-master-planned-communities-have-the-most-year-to-date-home-sales/> (Updated July 21, 2022)

FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

Greater Katy's school system, master-planned communities, and its proximity to major highways, like IH-10 and the Grand Parkway, make the Greater Katy Area a highly desirable place to live in the Houston Area. Additionally, the area benefits from major employment centers and commercial activity along IH-10, including the Energy Corridor District, approximately three miles east of the subject, and Katy Mills, located just over two miles to the west. Known as one of Houston's premier business districts, the Energy Corridor contains more than 27 million square feet of commercial office space, over 3.5 million square feet of retail space, approximately 2.4 million square feet of industrial space, and is home to headquarters and regional offices of major international energy and energy service corporations, including BP America, Shell, Technip, Conoco Phillips, CITGO, Dow Chemical, PGS, and Mustang/Wood Group. Further, several major healthcare systems with hospitals are in the area, including Memorial Herman, Houston Methodist and Texas Children's.

Katy Mills Mall is located within the City of Katy on the south side of I-10, east of Pin Oak Road. The mall was originally developed in 1999 by the Mills Corp. and was acquired by Simon Property Group (the current owner) in 2007. The mall boasts more than 175 stores across 1.2 million square feet of leasable area and was the City of Katy's largest employer in 2017 with about 3,200 employees. Katy Mills underwent a \$30 million remodel that was completed in 2019 to complement the proposed Katy Boardwalk District, a lakeside mixed-use project currently being developed adjacent to the south. Current plans for the proposed mixed-use district indicates the project will ultimately include two multi-family apartment complexes ("Boardwalk Lofts" and "Boardwalk Square"), a 304-room full-service hotel and conference center ("The Westerly on Lake Laurel"), a mixed-use retail/office development, a single-family residential community with approximately 150 home sites, a boardwalk-style restaurant row, and a mixed-use commercial/office/medical-office component.

FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

Following summarizes demographic trends within a 1, 3, and 5-mile radius from the subject and compared these figures to those of the City of Katy and Harris County.

Subject Demographics					
Year/% Change	1-Mile Radius	3-Mile Radius	5-Mile Radius	City of Katy	Harris County
Population					
2010	6,369	93,681	204,090	14,770	4,092,333
2022	8,035	133,347	301,123	24,832	4,875,969
2027	8,443	139,160	318,261	26,615	5,026,074
% Change 2010-22	26.16%	42.34%	47.54%	68.12%	19.15%
% Change 2022-27	5.08%	4.36%	5.69%	7.18%	3.08%
% Change 2010-27	32.56%	48.55%	55.94%	80.20%	22.82%
Number of Households					
2010	2,259	31,584	66,708	4,954	1,435,105
2022	3,213	46,125	99,999	8,135	1,747,682
2027	3,400	48,195	105,729	8,676	1,806,176
% Change 2010-22	42.23%	46.04%	49.91%	64.21%	21.78%
% Change 2022-27	5.82%	4.49%	5.73%	6.65%	3.35%
% Change 2010-27	50.51%	52.59%	58.50%	75.13%	25.86%
Median Household Income					
2022	\$86,689	\$89,218	\$99,752	\$108,912	\$68,569
2027	\$98,738	\$102,792	\$110,325	\$123,376	\$80,537
% Change 2022-27	13.90%	15.21%	10.60%	13.28%	17.45%
Average Household Income					
2022	\$118,778	\$115,871	\$131,619	\$140,807	\$104,268
2027	\$138,157	\$134,754	\$150,720	\$158,629	\$120,576
% Change 2022-27	16.32%	16.30%	14.51%	12.66%	15.64%
Per Capita Income					
2022	\$47,633	\$40,016	\$43,634	\$45,534	\$37,436
2027	\$55,795	\$46,640	\$49,994	\$51,060	\$43,391
% Change 2022-27	17.14%	16.55%	14.58%	12.14%	15.91%

Between 2010 and 2022, population and household growth within 3- and 5-miles surrounding the subject lagged behind the City of Katy's percentage growth but significantly exceeded the Harris County growth. Additionally, the demographics demonstrate average income within the 5-mile radius of the subject are competitive to the City of Katy average income figures, both of which are higher than the average income for Harris County.

Fueled by the high-ranking Katy ISD, employment centers and new and existing master planned communities and resulting population increases, real property values and development activity have been on the rise. We anticipate this trend will continue in the foreseeable future. As of the effective date, the subject's market area was in a growth cycle.

FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

SITE ANALYSIS: As previously stated, the subject appraised consists of four non-contiguous tracts of effectively vacant land (“Tracts A-D”) totaling 151.78 acres owned by Westside Ventures, Ltd, located northeast of the Grand Parkway/Katy Freeway interchange, in Harris County, Texas 77449. The following summarizes data relating to the subject tracts.

Legal Description:

Tract A	14.51 acres out of the H.T. & B. R.R. Co. Survey, Block 3, Section 9, Abstract 421, Harris County, Texas
Tract B	19.56 acres being Restricted Reserve A, Westside Mall Sec. 3 Subdivision, W.C.R.R. Co. Survey, Block 3, Section 7, Abstract 903, Harris County, Texas
Tract C	18.70 acres being Restricted Reserve B, Westside Mall Sec. 3 Subdivision, W.C.R.R. Co. Survey, Block 3, Section 7, Abstract 903, and W.C.R.R. Co. Survey, Block 3, Section 8, Abstract 1410, Harris County, Texas
Tract D	99.01 acres out of the W.C.R.R. Co. Survey, Block 3, Section 7, Abstract 903, and W.C.R.R. Co. Survey, Block 3, Section 8, Abstract 1410, Harris County, Texas

Location:

Tract A	NE/C of the Grand Parkway and Colonial Parkway, SE/C of the Grand Parkway and Partnership Way, and NW/C of Colonial Parkway and Partnership Way
Tract B	SW/C of Colonial Parkway and Westside Parkway, SE/C of Colonial Parkway and Westside Way, NW/C of Westside Parkway and Merchant Way, NE/C of Grand Circle Boulevard and Merchant Way, and NE/C of Grand Circle Boulevard and Westside Way
Tract C	NW/C of IH-10 and Westside Parkway, SW/C of Westside Parkway and Merchant Way, and SE/C of Grand Circle Boulevard and Merchant Way
Tract D	NW/C of IH-10 and Mason Road, and SW/C of Mason Road and Merchant Way

FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

Land Size:

Tract A	14.51 Acres (632,056 Square Feet)
Tract B	19.56 Acres (852,034 Square Feet)
Tract C	18.70 Acres (814,572 Square Feet)
Tract D	+ 99.01 Acres (4,312,876 Square Feet)
Total	151.78 Acres (6,611,538 Square Feet)

Shape: All of the tracts are slightly irregular in shape.

Frontage:

Tract A	Approximately 758 frontage feet and access along the Grand Parkway (SH 99) frontage road, 958 frontage feet along Colonial Parkway and 1,383 frontage feet along Partnership Way.
Tract B	Approximately 430 frontage feet along Colonial Parkway, 953 frontage feet along Westside Parkway, 530 frontage feet along Merchants Way, 1,172 frontage feet along Grand Circle Boulevard and 395 frontage feet along Westside Way.
Tract C	Approximately 1,292 frontage feet along Westside Parkway, 530 frontage feet along Merchants Way, 637 frontage feet along Grand Circle Boulevard, and approximately 682 linear feet of exposure but no access along the Katy Freeway (IH-10).
Tract D	Approximately 3,579 frontage feet along Merchants Way, 1,081 frontage feet along Mason Road, and approximately 4,734 linear feet of exposure but no access along the Katy Freeway (IH-10).

Flood Plain: According to the Flood Insurance Rate Map Number 48201C0595M dated November 15, 2019, the subject properties are unencumbered by the FEMA floodplain and floodway.

Utilities: Water and sewer services are available from Harris County Municipal Utility District (HCMUD) No. 61, 62, and 63.

Zoning: The properties are located within the City of Houston ETJ and are not subject to zoning.

FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

Restrictions:

Tract A	We are unaware of any restrictions encumbering Tract A.
Tracts B and C	<p>Tract B is Restricted Reserve A and Tract C is Restricted B within the Westside Mall Sec. 3 Subdivision. According to the subdivision plat, both tracts are restricted to commercial uses.¹⁷</p> <p>Additionally, Tracts B and C are subject to Amended and Consolidated and Restated Declaration of Covenants, Conditions and Restrictions Affecting Real Property dated July 11, 2003, and subsequent amendments dated December 16, 2014, November 2, 2016 and October 18, 2018, governing the development of approximately 225-acres lying east of Grand Parkway, south of Colonial Parkway, west of Westside Parkway and north of IH-10. According to these restrictive covenants, no obnoxious vibrations, noise, or other noxious substance shall be allowed to emanate from the property and no portion of the property may be used for the operations of a massage parlor, adult book store, or any other use that is not consistent with a first class shopping center or office park environment or residential community; any bowling alley, bingo parlor, bar or lounge (except in conjunction with a restaurant that derives at least 50% of its gross sales from the sale of food), or flea market; industrial use; commercial excavation of building or construction materials (except in connection with the construction of improvements); refining of petroleum or of its products; smelting of iron, tin, zinc, or other ores; drilling for and/or removal of oil, gas or other hydrocarbon substances or any other mining activity; any use which, by its nature, will cause objectionable odors and objectionable untidiness; any trailer court; mobile home park; lot for sale of new or used motor vehicles; labor camp; junk yard; stock yard; scrap metal yard or waste material business; any dumping, disposal, incineration or reduction of garbage; no animals, livestock or poultry of any kind shall be bred, kept, or raised on the property, except in conjunction with a veterinary office or hospital for the treatment of household pets, a retail establishment for the sale of household pets, or a facility for the short-term boarding of household pets; and, no portion of the property may not be leased or sold to any entity (other than Cinemark or its successors or assigns) for the operation of a motion picture theater for so long as the Cinemark Lease remains in effect.¹⁸</p>

¹⁷ HCCF No. Y342319

¹⁸ Consolidated and Restated Declaration of Covenants, Conditions and Restrictions Affecting Real Property, dated July 11, 2003, recorded under HCCF No. X515160, as amended by HCCF No. X515160 (First Amendment), RP-2016-496981 (Second Amendment) and RP-2018-498181 (Third Amendment). HCCF No. X515160 supersedes the prior Unified Declaration (HCCF No. T205221) and the Overall Declaration (HCCF No. T205220).

FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

Restrictions (Continued):

Tract D We are unaware of any restrictions encumbering Tract D as of the effective date.

Tract D was previously subject to the Declaration of Covenants, Conditions and Restrictions Affecting Real Property (Overall Restrictions), dated August 12, 1998, (referred to as “Overall Parcel Declaration” or “Overall Declaration”) which affected approximately 436 acres currently or formerly owned by Westside (referred to as the “Overall Parcel”).¹⁹ However, the Amended and Consolidated and Restated Declaration of Covenants, Conditions and Restrictions Affecting Real Property, dated July 11, 2003, released the portion of the Overall Parcel lying east of Westside Parkway, including Tract D, from the Overall Declaration and related Unified Declaration.²⁰ Further, the property is not included in said 2003 Declaration, nor any subsequent amendments.

Encumbrances:

Tract A The southeastern portion of Tract A is bisected by a 75’ wide Transcontinental Pipeline Easement, traversing thru the property from northeast to southwest.²¹ Additionally, the property is bisected by a 30-foot-wide Texas-New Mexico Pipeline Easement (formerly known as Trunkline Gas Company), traversing southeast/northwest from the property’s northwest corner to approximately 15 feet north of the property’s southern boundary, then diverting east though the eastern property line.²² It is our understanding that building structures are not permitted on either of the pipeline easements.

¹⁹HCCF No. T205220 (“Overall Declaration”); Also referenced with a map of the Overall Parcel in the Declaration of Covenants, Conditions and Restrictions Affecting Real Property (Unified Development Area), which was concurrently executed and filed by the same parties, recorded under HCCF No. T20521 (“Unified Declaration”)

²⁰HCCF No. X515160, Amended and Consolidated and Restated Declaration of Covenants, Conditions and Restrictions Affecting Real Property, dated July 11, 2003, Paragraph E, “Released from the Unified Declaration, the Overall Declaration and not included in this Declaration is the Property south of Colonial Parkway, North of I-10, east of Westside Parkway and west pf Mason Road as described in Exhibit A-2 attached hereto and made a part hereof.”

²¹HCC Deed Records Vol. 2020, Pg. 519, and Vol. 4159, Pg. 255

²²HCC Deed Records Vol. 3812, Pg. 603, and Vol. 3812, Pg. 598; Amended in HCCF No. T071648

FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

Encumbrances (Continued):

Tract B A 30-foot-wide Texas-New Mexico Pipeline Easement²³ and an adjoining 14-foot-wide CenterPoint Energy Houston Electric, LLC easement²⁴ bisects Tract B from north to south, between Colonial Parkway and Merchants Way. The adjoining CenterPoint easement also includes a 7.5-foot-wide unobstructed aerial easement, beginning at 26 feet above the ground, and is improved with overhead transmission lines. Based upon our review of the easement filings, building structures are prohibited within both easements.

Additionally, the property is subject to a 25-foot building line along Colonial Parkway; a 20-foot building line along and Westside Parkway; and, 10-foot building lines and landscape easements along Merchants Way, Grand Circle Boulevard and Westside Way.²⁵

Tract C The previously referenced 30-foot wide Texas-New Mexico Pipeline Company Easement bisects the northern portion of Tract C, which traverses north/south through the property's northern boundary, and crosses the tract's western property line in a northeast/southwest direction.²⁶ An additional 30-foot wide Texas-New Mexico Pipeline Company Easement bisects the southern portion of the property from east to west, along Tract C's southern boundary.²⁷ Further, the property is encumbered by the previously referenced 14-foot wide CenterPoint Energy Houston Electric, LLC easement, together with a 7.5-foot wide unobstructed aerial easement (beginning at 26 feet above the ground), which adjoins the 30-foot pipeline easement traversing through the northern portion of the property, and diverts south along Tract C's western property line.²⁸ Based upon our review of the easement filings, no building structures are permitted on the northern 30-foot pipeline easement and adjoining CenterPoint easement. Additionally, no improvements may be constructed on the southern 30-foot-wide pipeline easement without prior consent from Texas-New Mexico Pipeline Company.

Additionally, the property is subject to a 20-foot building line along and Westside Parkway, and 10-foot building lines and landscape easements along Merchants Way and Grand Circle Boulevard.²⁹ Further, Tract C is encumbered by an apparent pipeline surface facility located near Merchants Way.

²³HCC Deed Records Vol. 3812, Pg. 603, Vol. 3812, Pg. 598; Amended in HCCF No. T071648; HCC Map Records No. Y342319

²⁴ HCCF No. Y723031

²⁵HCC Map Records No. Y342319

²⁶HCC Deed Records Vol. 3812, Pg. 603, Vol. 3812, Pg. 598, Amended in HCCF No. T071648; HCC Map Records No. Y342319

²⁷HCCF No. T071647; HCC Map Records No. Y342319

²⁸HCCF No. Y723031

²⁹HCC Map Records No. Y342319

FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

Encumbrances (Continued):

Tract D A 30-foot-wide Texas-New Mexico Pipeline Easement bisects Tract D from east to west, along the property's southern boundary.³⁰ Based upon our review of the easement filing, no improvements may be constructed on the pipeline easement without prior consent from Texas-New Mexico Pipeline Company.

Environmental: We know of no environmental issues that could potentially affect the property. We reserve the right to alter our opinion if environmental issues are discovered at the property.

Surrounding Uses: Existing and proposed uses surrounding the subject, as of the effective date, include institutional (University of Houston), commercial, retail, office, office/warehouse, theater, and multi-family uses. Before the taking, the HCC Property was deed restricted to single-family residential use, office building use and/or office warehouse use.³¹

³⁰HCC Deed Records T071647

³¹The Westside deed restrictions recorded in H.C.C.F No. 2007.0597825 (Cash Special Warranty Deed, dated September 28, 2007), as amended by H.C.C.F No. 2012.0274574 (First Amendment to Cash Special Warranty Deed, executed June 6, 2012). The HCC Property is part of the real property described as the "East Tract" in both deed records. A Second Amendment to Restrictions was executed on August 9, 2017, recorded under H.C.C.F No. RP-2017-460924; however, this amendment does not impact the HCC Property.

FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

REAL PROPERTY TAX ANALYSIS: The following tables summarize the Harris County Appraisal District (HCAD) property identification numbers, taxing jurisdictions and 2019 tax rates for the property.³²

Harris County Appraisal District 2019	
Property ID	
Tract A	043-087-000-0040; 046-003-000-0009
Tract B	126-774-001-0001
Tract C	126-774-002-0001
Tract D	046-003-000-0001; -0079; -0080

Taxing Jurisdiction	2019 Rate
Katy ISD	1.443100%
Harris County	0.407130%
Harris County Flood Control	0.027920%
Port of Houston Authority	0.010740%
Harris County Hospital District	0.165910%
Harris County Education Dept.	0.005000%
HC Emerg. Services District 48	0.100000%
HC Utility District 61	0.480000%
HC Utility District 62	0.550000%
HC Utility District 63	0.280000%

The properties' assessed values and tax liability, prior to any exemptions, are consistent with similar properties in the area.

HIGHEST AND BEST USE ANALYSIS: Highest and best use is defined as:

*The highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future.*³³

Before the Acquisition**As Vacant**

Legally Permissible: The subject properties are located in the City of Houston ETJ, which does not subscribe to zoning. According to the Westside Mall Sec. 3 subdivision plat, Tracts B and C are restricted to commercial use.³⁴ Additionally, Tracts B and C are subject to restrictive covenants detailed in our site analysis, which permit most commercial uses. Further, building structures may not be constructed on the pipelines and CenterPoint easements that bisect the subject properties.

³² <https://www.hcad.org/>

³³ Uniform Appraisal Standards for Federal Land Acquisitions, 2016

³⁴ HCCF No. Y342319

FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

Physically Possible: The property consists of four non-contiguous tracts ranging between 14.51 and 99.01 acres in size. All of the tracts are unencumbered by the floodplain and floodway, and utilities are available from HCMUD No. 61, 62, and 63. We consider all of the tracts to be physically suited for commercial use. However, the locations of easements encumbering Tracts A, B and C, negatively impacts their development potential.

Financially Feasible and Maximally Productive: The subject is located within a market area experiencing rising population and average income. Additionally, the properties are located at the Grand Parkway/IH-10 interchange, both major freeways and commercial corridors in the market area. Existing land uses surrounding the property include multi-family, commercial, retail, office, office/warehouse, and institutional uses.

After consideration of the legally permissible, physical possible, financially feasible and maximally productive uses, we estimate the highest and best use of the subject before the taking, as of April 10, 2019, is commercial use.

RETROSPECTIVE MARKET VALUE ESTIMATE – BEFORE THE ACQUISITION:

As previously referenced, we utilized the land sales comparison approach to estimate the retrospective market value of the subject properties before the acquisition as of April 10, 2019. The sales comparison approach best reflects the actions of buyers and sellers in the property's market. We did not employ the income approach or cost approach as the market does not typically rely upon these methodologies in consideration of the subject property type within this market area.

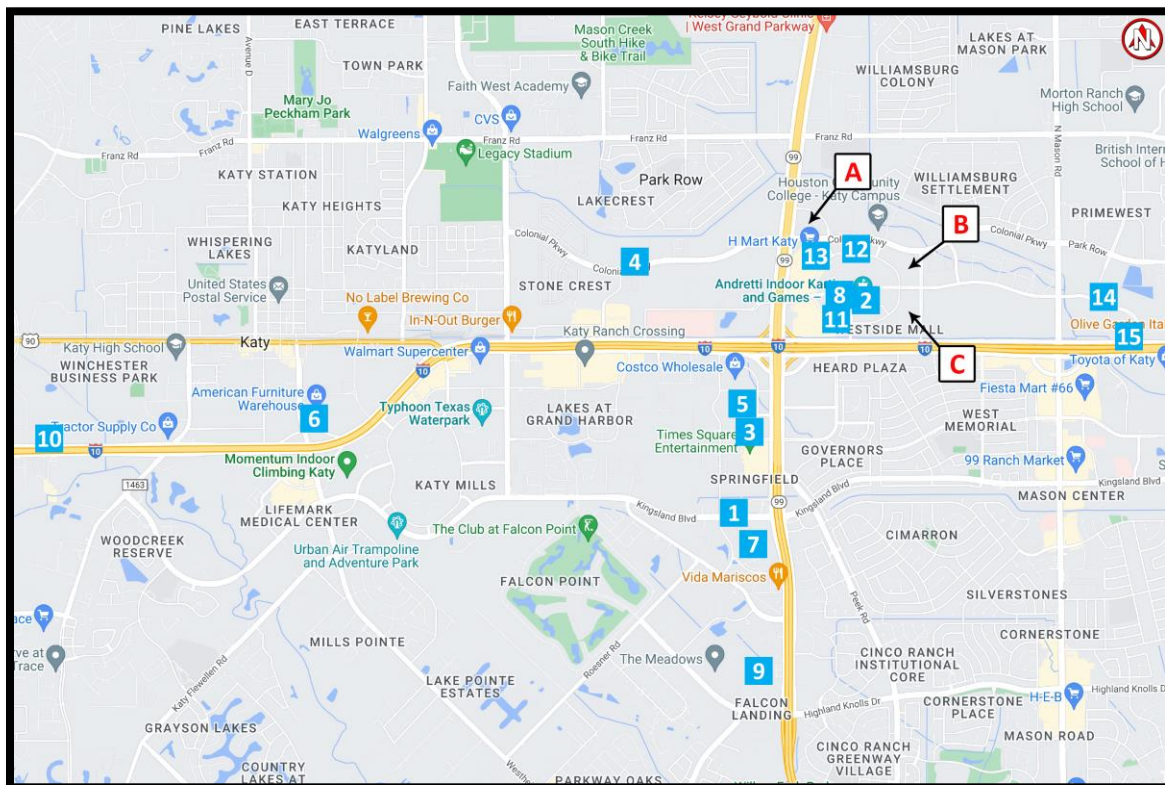
Land Sales Comparison Approach: The sales comparison approach compares the subject to similar properties that have sold within the market area. We have compared and adjusted the comparables based on price per square foot of land area to accurately reflect the actions of market participants. We researched and identified land sales of comparable properties that sold within approximately 4 years prior to the date of value. The transactions considered most competitive to Tracts A, B and C range in size between 4.34 and 29.44 acres, while the transactions considered most competitive to Tract D range in size between 4.38 and 84.01 acres. Those factors considered most pertinent to the valuation include property rights conveyed, financing, condition of sale, expenditures after sale, market conditions (time), location, and physical characteristics, such as land size, configuration, encumbrances, floodplain impact, and access to utilities. Utilizing the sales comparison approach, each sale was compared to the properties and qualitatively adjusted based on these factors.

The following is a summary chart and corresponding map of comparable land sales considered in our analysis to estimate the retrospective market value of the subject Tracts A, B and C before acquisition, as of April 10, 2019.

FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

Tracts A - C Land Sale Comparables				
No.	Date	Location	Ac.	PSF
1	07/15/19	N/S of Kingsland Blvd, W of Grand Parkway	5.325	\$12.00
2	06/14/19	SE/C of Mercantile Parkway and Grand West Boulevard	6.060	\$11.50
3	05/15/19	NW/C of West Fernhurst Drive and Western Centre Drive	6.873	\$11.00
4	10/31/18	N/S of Colonial Parkway, W of Grand Parkway	11.639	\$8.50
5	10/02/18	SW/C of Western Centre Drive and Grand Centre Drive	11.636	\$11.00
6	06/29/18	NE/C of IH-10 and Pin Oak Road	29.440	\$12.00
7	03/02/18	Wraps the SW/C of Kingsland Boulevard and the Grand Parkway	27.937	\$10.00
8	01/11/18	SW/C of Mercantile Parkway and Grand West Boulevard	6.904	\$13.00
9	11/03/17	W/S of Grand Parkway, N of Bay Hill Boulevard	6.453	\$22.00
10	09/20/17	NE/C of IH-10 and Buc-ee's Boulevard	11.810	\$9.77
11	07/26/17	NW/C of Grand West Boulevard and Grand Circle Boulevard	7.427	\$15.00
12	06/23/17	SE/C of Colonial Parkway and Partnership Way	11.272	\$11.00
13	10/12/16	SW/C of Colonial Parkway and Partnership Way	15.592	\$9.00
14	05/27/16	NE/C of Merchants Way and Primewest Parkway	4.340	\$12.00
15	06/18/15	NW/C of IH-10 and Merchants Way	4.382	\$19.00

**Tracts A – C
Land Sale Comparables Summary Map**



The following pages summarize the qualitative analyses undertaken in developing our opinions of the retrospective market values of Tracts A, B and C, respectively, as of April 10, 2019.

FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

Tract A Qualitative Adjustment Grid								
No.	1	2	3	4	5	6	7	8
Date	07/15/19	06/14/19	05/15/19	10/31/18	10/02/18	06/29/18	03/02/18	01/11/18
Land Size (SF)	5.325	6.060	6.873	11.639	11.636	29.440	27.937	6.904
Price/SF	\$12.00	\$11.50	\$11.00	\$8.50	\$11.00	\$12.00	\$10.00	\$13.00
Property Rights	C	C	C	C	C	C	C	C
Financing	C	C	C	C	C	C	C	C
Conditions of Sale	C	C	C	C	C	C	C	C
Expenditures After Purchase	C	C	C	C	C	C	C	C
Market Conditions	C	C	C	C	C	C	I	I
Location	I	I	I	I	I	S	S	I
Physical Characteristics	S	S	S	S	S	I	I	S
Overall	I	I	I	I	I	I	I	I

(C = Comparable; S = Superior; I = Inferior)

Tract A Qualitative Adjustment Grid (Continued)							
No.	9	10	11	12	13	14	15
Date	11/03/17	09/20/17	07/26/17	06/23/17	10/12/16	05/27/16	06/18/15
Land Size (SF)	6.453	11.810	7.427	11.272	15.592	4.340	4.382
Price/SF	\$22.00	\$9.77	\$15.00	\$11.00	\$9.00	\$12.00	\$19.00
Property Rights	C	C	C	C	C	C	C
Financing	C	C	C	C	C	C	C
Conditions of Sale	C	C	C	C	C	C	C
Expenditures After Purchase	C	C	C	C	C	C	C
Market Conditions	I	I	I	I	I	I	I
Location	C	I	I	I	I	I	C
Physical Characteristics	S	S	S	S	S	S	S
Overall	S	I	C	I	I	I	S

(C = Comparable; S = Superior; I = Inferior)

Property Rights Conveyed: All of the sales comparables transferred similar property rights and do not require adjustment for ownership interests.

Financing: None of the comparables require adjustment for financing.

Conditions of Sale: All of the comparables were arm's-length transactions that sold in conditions similar to the subject property, and do not require adjustment for this element of comparison.

Expenditures After Sale: None of the comparables require adjustment for expenditures after sale.

FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

Market Conditions: As previously stated in our market area analysis, the market area is in a growth cycle. Resulting real estate price trends have increased, and we consider the land sales that closed more than a year prior to the date of value require upward adjustment for inferior market conditions.

Location: Tract A is located at the corner of Grand Parkway (a designated freeway) and Colonial Parkway (a designated major-thoroughfare).³⁵ Land Sales 1, 2, 3, 4, 5, 8 and 11-14 do not have freeway frontage and are considered overall inferior in location to Tract A. Land Sales 6 and 7 are superior in location to the subject, as these land sales are situated at freeway intersections that provide higher volumes of traffic than the intersection of Grand Parkway and Colonial Parkway. Land Sale 9 enjoys cross access with the adjacent Kroger anchored shopping center that sits at the northwest corner of Grand Parkway and Bay Hill Boulevard, which, on average, carries more daily traffic than the corner at Tract A. Overall, we consider Land Sale 9 to be overall comparable in location to Tract A. Land Sale 10 is well west of the property in an inferior submarket, requiring an upward adjustment for location. Land Sale 15 is situated at a corner along IH-10 having slightly inferior cross-streets that do not continue beneath the freeway but has exposure to higher volumes of freeway traffic along IH-10 compared to the subject's frontage along the Grand Parkway. We consider Land Sale 15 to be overall comparable in location to Tract A.

Physical Characteristics: Tract A is a 14.510-acre slightly irregular-shaped property that is bisected by two perpendicular pipeline easements that cross generally in southeast quadrant of the tract. Land Sales 1, 2, 3, 8, 9, 11, 14 are and 15 are superior to the subject's physical characteristics because they are smaller in physical size and not atypically impacted by easements. Land Sales 4, 5, 10, 12 and 13 are similar in size but are considered overall physically superior as they do not have easements that impact potential development. Land Sales 6 and 7 are larger in size but not as severely impacted by encumbrances as the subject. We consider Land Sales 6 and 7 to be slightly inferior Tract A in physical characteristics.

³⁵ City of Houston, 2019 Major Thoroughfare and Freeway Plan

FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

Overall Comparison: The following table ranks the comparables based upon their overall comparison to the subject property.

Tract A Overall Ranking		
No.	Overall	PSF
9	Superior	\$22.00
15	Superior	\$19.00
11	Comparable	\$15.00
Tract A	-	-
8	Inferior	\$13.00
1	Inferior	\$12.00
14	Inferior	\$12.00
6	Inferior	\$12.00
2	Inferior	\$11.50
3	Inferior	\$11.00
12	Inferior	\$11.00
5	Inferior	\$11.00
7	Inferior	\$10.00
10	Inferior	\$9.77
13	Inferior	\$9.00
4	Inferior	\$8.50

Based upon the presented sales and our analysis of market data, we estimate the retrospective market value of Tract A, before the taking, to be **\$15.00 per square foot of land**, as of April 10, 2019.

Tract B Qualitative Adjustment Grid								
No.	1	2	3	4	5	6	7	8
Date	07/15/19	06/14/19	05/15/19	10/31/18	10/02/18	06/29/18	03/02/18	01/11/18
Land Size (SF)	5.325	6.060	6.873	11.639	11.636	29.440	27.937	6.904
Price/SF	\$12.00	\$11.50	\$11.00	\$8.50	\$11.00	\$12.00	\$10.00	\$13.00
Property Rights	C	C	C	C	C	C	C	C
Financing	C	C	C	C	C	C	C	C
Conditions of Sale	C	C	C	C	C	C	C	C
Expenditures After Purchase	C	C	C	C	C	C	C	C
Market Conditions	C	C	C	C	C	C	I	I
Location	I	I	I	I	I	C	C	I
Physical Characteristics	S	S	S	S	S	I	I	S
Overall	I	I	I	I	I	I	I	I

(C = Comparable; S = Superior; I = Inferior)

FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

Tract B							
Qualitative Adjustment Grid (Continued)							
No.	9	10	11	12	13	14	15
Date	11/03/17	09/20/17	07/26/17	06/23/17	10/12/16	05/27/16	06/18/15
Land Size (SF)	6.453	11.810	7.427	11.272	15.592	4.340	4.382
Price/SF	\$22.00	\$9.77	\$15.00	\$11.00	\$9.00	\$12.00	\$19.00
Property Rights	C	C	C	C	C	C	C
Financing	C	C	C	C	C	C	C
Conditions of Sale	C	C	C	C	C	C	C
Expenditures After Purchase	C	C	C	C	C	C	C
Market Conditions	I	I	I	I	I	I	I
Location	C	I	I	I	I	I	C
Physical Characteristics	S	S	S	S	S	S	S
Overall	S	I	C	I	I	I	S

(C = Comparable; S = Superior; I = Inferior)

Property Rights Conveyed: All of the sales comparables transferred similar property rights and do not require adjustment for ownership interests.

Financing: None of the comparables require adjustment for financing.

Conditions of Sale: All of the comparables were arm's-length transactions that sold in conditions similar to the subject property, and do not require adjustment for this element of comparison.

Expenditures After Sale: None of the comparables require adjustment for expenditures after sale.

Market Conditions: As previously stated in our market area analysis, the market area is in a growth cycle. Resulting real estate price trends have increased, and we consider the land sales that closed more than a year prior to the date of value require upward adjustment for inferior market conditions.

Location: Tract B is generally located at the southwest corner of Colonial Parkway and Westside Parkway. The driving locational characteristic of the property is its adjacency to the newly developed and expanding University of Houston Katy Campus. Land Sales 1-5, Land Sale 8 and Land Sales 10-14 are considered overall inferior in location to Tract B. Land Sales 6, 7, 9 and 15, while located along freeways, are considered comparable in location to Tract B.

FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

Physical Characteristics: Tract B is a 19.56-acre slightly irregular-shaped property that is bisected by a 30-foot-wide pipeline easement and an adjoining CenterPoint easement, improved with overhead transmission lines. Land Sales 1, 2, 3, 4, 5, 8, 9, 10, 11, 12, 14 and 15 are superior to the subject's physical characteristics because they are smaller in physical size and are not atypically impacted by easements. Land Sale 13 is similar in size but considered overall slightly physically superior as it doesn't have easements that impact potential development. Land Sales 6 and 7 are significantly larger in size but not as severely impacted by encumbrances as the subject. We consider Land Sales 6 and 7 overall inferior, to Tract B in physical characteristics.

Overall Comparison: The following table ranks the comparables based upon their overall comparison to the subject property.

Tract B Overall Ranking		
No.	Overall	PSF
9	Superior	\$22.00
15	Superior	\$19.00
11	Comparable	\$15.00
Tract B	-	-
8	Inferior	\$13.00
1	Inferior	\$12.00
6	Inferior	\$12.00
14	Inferior	\$12.00
2	Inferior	\$11.50
3	Inferior	\$11.00
12	Inferior	\$11.00
5	Inferior	\$11.00
7	Inferior	\$10.00
10	Inferior	\$9.77
13	Inferior	\$9.00
4	Inferior	\$8.50

Based upon the presented sales and our analysis of market data, we estimate the retrospective market value of Tract B, before the taking, to be **\$15.00 per square foot of land**, as of April 10, 2019.

FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

Tract C Qualitative Adjustment Grid								
No.	1	2	3	4	5	6	7	8
Date	07/15/19	06/14/19	05/15/19	10/31/18	10/02/18	06/29/18	03/02/18	01/11/18
Land Size (SF)	5.325	6.060	6.873	11.639	11.636	29.440	27.937	6.904
Price/SF	\$12.00	\$11.50	\$11.00	\$8.50	\$11.00	\$12.00	\$10.00	\$13.00
Property Rights	C	C	C	C	C	C	C	C
Financing	C	C	C	C	C	C	C	C
Conditions of Sale	C	C	C	C	C	C	C	C
Expenditures After Purchase	C	C	C	C	C	C	C	C
Market Conditions	C	C	C	C	C	C	I	I
Location	I	I	I	I	I	I	I	I
Physical Characteristics	S	S	S	S	S	C	C	S
Overall	I	I	I	I	I	I	I	I

(C = Comparable; S = Superior; I = Inferior)

Tract C Qualitative Adjustment Grid (Continued)							
No.	9	10	11	12	13	14	15
Date	11/03/17	09/20/17	07/26/17	06/23/17	10/12/16	05/27/16	06/18/15
Land Size (SF)	6.453	11.810	7.427	11.272	15.592	4.340	4.382
Price/SF	\$22.00	\$9.77	\$15.00	\$11.00	\$9.00	\$12.00	\$19.00
Property Rights	C	C	C	C	C	C	C
Financing	C	C	C	C	C	C	C
Conditions of Sale	C	C	C	C	C	C	C
Expenditures After Purchase	C	C	C	C	C	C	C
Market Conditions	I	I	I	I	I	I	I
Location	C	C	I	I	I	I	C
Physical Characteristics	S	S	S	S	S	S	S
Overall	S	I	I	I	I	I	S

(C = Comparable; S = Superior; I = Inferior)

Property Rights Conveyed: All of the sales comparables transferred similar property rights and do not require adjustment for ownership interests.

Financing: None of the comparables require adjustment for financing.

Conditions of Sale: All of the comparables were arm's-length transactions that sold in conditions similar to the subject property, and do not require adjustment for this element of comparison.

Expenditures After Sale: None of the comparables require adjustment for expenditures after sale.

Market Conditions: As previously stated in our market area analysis, the market area is in a growth cycle. Resulting real estate price trends have increased, and we consider the land sales

FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

that closed more than a year prior to the date of value require upward adjustment for inferior market conditions.

Location: Tract C is located at the corner of IH-10 (a designated freeway) and Westside Parkway. Land Sales 1, 2, 3, 4, 5, 8 and 11-14 do not have freeway frontage and are considered overall inferior in location to Tract C. While Land Sales 6 and 7 are located at freeway intersections that provide higher volumes of traffic than the intersection of IH-10 and Westside Parkway, these properties are not located within an activity center like the subject property anchored by the University of Houston. These sales are inferior to the property. We consider Land Sales 9, 10 and 15 overall comparable in location to Tract C.

Physical Characteristics: Tract C is a 18.70-acre slightly irregular-shaped property that is negatively impacted by the previously referenced 30-foot wide pipeline easement and an adjoining CenterPoint easement that bisect the northern portion of the property. Additionally, we observed an apparent pipeline surface site located on Tract C, near its northern boundary. Land Sales 1, 2, 3, 4, 5, 8, 9, 10, 11, 12, 14 and 15 are superior to the subject's physical characteristics because they are smaller in physical size and not atypically impacted by easements. Land Sale 13 is similar in size but considered overall slightly physically superior as it doesn't have easements that impact potential development. Land Sales 6 and 7 are larger in size but not as severely impacted by encumbrances as the subject. We consider Land Sales 6 and 7 overall comparable, if not slightly superior, to Tract B in physical characteristics.

Overall Comparison: The following table ranks the comparables based upon their overall comparison to the subject property.

Tract C Overall Ranking		
No.	Overall	PSF
9	Superior	\$22.00
15	Superior	\$19.00
Tract C	-	-
11	Inferior	\$15.00
8	Inferior	\$13.00
1	Inferior	\$12.00
14	Inferior	\$12.00
6	Inferior	\$12.00
2	Inferior	\$11.50
3	Inferior	\$11.00
12	Inferior	\$11.00
5	Inferior	\$11.00
7	Inferior	\$10.00
10	Inferior	\$9.77
13	Inferior	\$9.00
4	Inferior	\$8.50

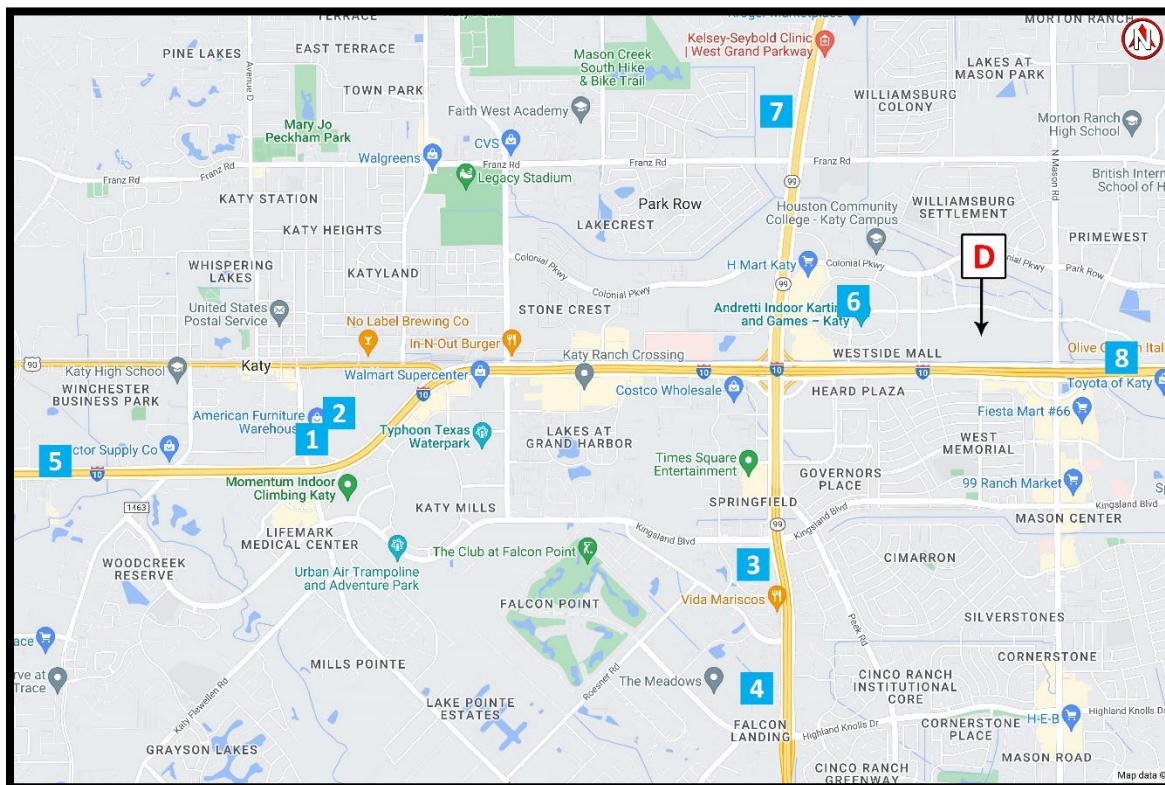
FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

Based upon the presented sales and our analysis of market data, we estimate the retrospective market value of Tract C, before the taking, to be **\$17.50 per square foot of land**, as of April 10, 2019.

The following is a summary and corresponding map of comparable land sales considered in our analysis to estimate the retrospective market value of the subject Tract D before acquisition, as of April 10, 2019.

Tract D Land Sale Comparables				
No.	Date	Location	Ac.	PSF
1	06/29/18	NE/C of Interstate 10 and Pin Oak Road	29.440	\$12.00
2	04/04/18	NE/C of Interstate-10 and Pin Oak Road, S/S of Highway 90	84.011	\$6.50
3	03/02/18	Wraps the SW/C of Grand Parkway and Kingsland Boulevard	27.937	\$10.00
4	11/03/17	W/S of Grand Parkway, N of Bay Hill Boulevard	6.453	\$22.00
5	09/20/17	Wraps the NE/C of Buc-ee's Boulevard and the IH-10	11.800	\$9.77
6	11/02/16	NE/C of Mercantile Parkway and Grand Circle Boulevard	45.794	\$6.92
7	12/21/15	NW/C Grand Parkway and Franz Road	67.548	\$7.30
8	06/18/15	NW/C of Interstate 10 and Merchants Way	4.382	\$19.00

**Tract D
Land Sale Comparables Summary Map**



FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

The following pages summarize the qualitative analyses undertaken in developing our opinions of the retrospective market value of Tract D, as of April 10, 2019.

Tract D				
Qualitative Adjustment Grid				
No.	1	2	3	4
Date	06/29/18	04/04/18	03/02/18	11/03/17
Land Size (Ac)	29.440	84.011	27.937	6.453
Price/SF	\$12.00	\$6.50	\$10.00	\$22.00
Property Rights	C	C	C	C
Financing	C	C	C	C
Conditions of Sale	C	C	C	C
Expenditures After Purchase	C	C	C	C
Market Conditions	C	C	I	I
Location	I	I	I	I
Physical Characteristics	S	C	S	S
Overall	I	I	I	S

(C = Comparable; S = Superior; I = Inferior)

Tract D (Continued)				
Qualitative Adjustment Grid				
No.	5	6	7	8
Date	09/20/17	11/02/16	12/21/15	06/18/15
Land Size (Ac)	11.800	45.794	67.548	4.382
Price/SF	\$9.77	\$6.92	\$7.30	\$19.00
Property Rights	C	C	C	C
Financing	C	C	C	C
Conditions of Sale	C	C	C	C
Expenditures After Purchase	C	C	C	C
Market Conditions	I	I	I	I
Location	I	I	I	I
Physical Characteristics	S	S	C	S
Overall	I	I	I	S

(C = Comparable; S = Superior; I = Inferior)

Property Rights Conveyed: All of the sales comparables transferred similar property rights and do not require adjustment for ownership interests.

Financing: None of the comparables require adjustment for financing.

Conditions of Sale: All of the comparables were arm's-length transactions that sold in conditions similar to the subject property, and do not require adjustment for this element of comparison.

FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

Expenditures After Sale: None of the comparables require adjustment for expenditures after sale.

Market Conditions: As previously stated in our market area analysis, Katy ISD is a continuing driver bringing buyers to this market. Prices in recent years have increased slightly. As such, all of the comparable land sales that closed more than a year prior to the date of value require upward adjustment for inferior market conditions.

Location: The driving locational characteristic of Tract D is its frontage and access on IH-10 and Mason Parkway.³⁶ Land Sales 1-5, 7 and 8 are inferior in location to the subject, as these land sales are situated at freeway intersections that provide lower volumes of traffic than the intersection of IH-10 and Mason Parkway. Land Sale 4 does not have freeway frontage and is considered overall inferior in location to Tract D.

Physical Characteristics: Tract D is a 99.010-acre slightly irregular-shaped property and is the only subject tract not significantly impacted by easements. Land Sales 1, 3, 4, 5, 6 and 8 are superior to the subject's physical characteristics because they are smaller in physical size. Land Sale 7 is atypically impacted by an easement, but smaller in physical size, and is considered overall comparable to Tract D. Land Sale 2 is overall comparable to the subject in terms of physical characteristics.

Overall Comparison: The following table ranks the comparables based upon their overall comparison to Tract D.

Tract D Overall Ranking		
No.	Overall	PSF
4	Superior	\$22.00
8	Superior	\$19.00
Tract D	-	-
1	Inferior	\$12.00
3	Inferior	\$10.00
5	Inferior	\$9.77
7	Inferior	\$7.30
6	Inferior	\$6.92
2	Inferior	\$6.50

Based upon the presented sales and our analysis of market data, we estimate the retrospective market value of Tract D, before the taking, to be **\$14.00 per square foot of land**, as of April 10, 2019.

³⁶ Based upon the owner's conceptual site plan for Tract D.

FACTUAL DATA AND ANALYSIS – BEFORE THE ACQUISITION

Retrospective Market Value Estimate – Before the Acquisition: Following is our estimate of the retrospective market value of the whole property (Tracts A-D) before the acquisition as of, as of April 10, 2019.

Retrospective Market Value Estimate - Before the Acquisition					
Subject Properties	Ac.	SF	MV/SF	Total	Rounded
Tract A	14.510	632,056	\$15.00	\$9,480,840	\$9,480,000
Tract B	19.560	852,034	\$15.00	\$12,780,510	\$12,780,000
Tract C	18.700	814,572	\$17.50	\$14,255,010	\$14,260,000
Tract D	99.010	4,312,876	\$14.00	+ \$60,380,264	\$60,380,000
Sum Total - Before the Acquisition	151.780	6,611,538	\$14.66	\$96,896,624	\$96,900,000